

IN THE SENATE

SENATE BILL NO. 1007

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO LABOR ORGANIZATIONS; AMENDING CHAPTER 20, TITLE 44, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 44-2012, IDAHO CODE, TO PROVIDE A SHORT TITLE, TO PROVIDE FOR INTENT, TO PROHIBIT CERTAIN ACTIVITIES RELATING TO LABOR ORGANIZATIONS, TO PROVIDE FOR VIOLATIONS AND PENALTIES AND TO PROVIDE FOR CHALLENGES BY INTERESTED PARTIES; AND AMENDING SECTION 44-2012, IDAHO CODE, TO REDESIGNATE THE SECTION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 20, Title 44, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 44-2012, Idaho Code, and to read as follows:

44-2012. PROHIBITED ACTIVITY. (1) The provisions of this act shall be known as the "Fairness in Contracting Act." The intent of this act is to promote fairness in bidding and contracting.

(2) No contractor or subcontractor may directly or indirectly receive a wage subsidy, bid supplement or rebate on behalf of its employees, or provide the same to its employees, the source of which is wages, dues or assessments collected by or on behalf of any labor organization(s), whether or not labeled as dues or assessments.

(3) No labor organization may directly or indirectly pay a wage subsidy or wage rebate to its members in order to directly or indirectly subsidize a contractor or subcontractor, the source of which is wages, dues or assessments collected by or on behalf of its members, whether or not labeled as dues or assessments.

(4) It is illegal to use any fund financed by wages collected by or on behalf of any labor organization(s), whether or not labeled as dues or assessments, to subsidize a contractor or subcontractor doing business in the state of Idaho.

(5) Any contractor, subcontractor or labor organization that violates the provisions of this section shall be guilty of a misdemeanor and fined an amount not to exceed ten thousand dollars (\$10,000) for a first offense, twenty-five thousand dollars (\$25,000) for a second offense, and one hundred thousand dollars (\$100,000) for each and every additional offense.

(6) Any interested party, which shall include a bidder, offeror, contractor, subcontractor or taxpayer, shall have standing to challenge any bid award, specification, project agreement, controlling document, grant or cooperative agreement in violation of the provisions of this section, and such interested party shall be awarded costs and attorney's fees in the event that such challenge prevails.

SECTION 2. That Section 44-2012, Idaho Code, be, and the same is hereby amended to read as follows:

1 44-20123. SEVERABILITY. The provisions of this chapter are hereby de-
2 clared to be severable, and if any provision is declared void, invalid, or
3 unenforceable in whole or in part, such declaration shall not affect the re-
4 maining provisions of this chapter.